

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HJR 3

January 5, 2009

SUMMARY OF BILL: Proposes to amend Article II, Section 28 of the Tennessee Constitution to prohibit state, county, or municipal government from imposing any tax upon personal income or employer payroll and authorizes state government to levy tax upon income derived from stocks and bonds that are not taxed ad valorem. The foregoing amendment shall be referred to the 107th General Assembly and this resolution proposing such amendment shall be posted on the websites of the Secretary of State and the General Assembly to meet the constitutional publication requirement.

ESTIMATED FISCAL IMPACT:

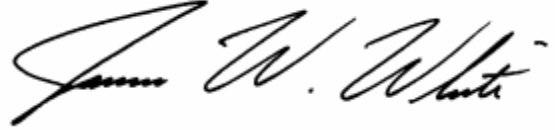
Increase State Expenditures – Not Significant

Assumptions:

- In *American Civil Liberties Union et al. v. Darnell et al.*, 195 S.W.3d 612, 626 n.12 (Tenn. 2006), the Tennessee Supreme Court noted without deciding the issue that: "The General Assembly has the authority to adopt a rule or enact a statute that defines the term 'published' used in Article XI, Section 3 or that specifies the means and manner of publication. When interpreting constitutional provisions, courts carefully consider any interpretation the General Assembly has given the provision." This note assumes that authorization by the General Assembly of electronic publication complies with the constitutional publication requirement.
- Posting this resolution on the official websites of the Secretary of State and the General Assembly will not increase state expenditures by a significant amount.
- Article XI, Section 3 of the Constitution requires publication of the resolution before the next legislative election. This publication would occur in the spring of 2010.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director

/mlp